

UTAH FILM COMMISSION MOTION PICTURE INCENTIVE PROGRAM

General Information

Utah's Motion Picture Incentive Program (MPIP) utilizes a 100% refundable, non-transferrable, post-performance tax credit incentive. In order to be eligible for the MPIP, a production company's project must be pre-approved by the Governor's Office of Economic Development (GOED) Board of Directors. The MPIP incentive disbursement, determined by an independent Certified Public Accountant (C.P.A.) report and approved by GOED, is paid out as a refund through the motion picture production company's Utah State Tax return.

Production Types

The MPIP is available to the following production types:

- Animation Features
- Cable Features
- Direct to DVD/other formats
- Documentaries
- Feature Motion Pictures
- Industrials
- Large Format (IMAX),
- Miniseries Television (Reality, Movie)
- Television Series
- Webisode

The MPIP is not available to the following production types:

- News
- Commercials
- Live Broadcasts
- Projects with less than five (5) production days

Project Caps

- Tax Credit = **None**

**Subject to availability of annual fund. For the most current available amounts, please contact the Utah Film Commission.*

20% Tax Credit Less Than a Million Dollars

In order for films, whose Utah budgets are between two hundred thousand dollars (\$200,000.00) and nine hundred ninety nine thousand nine hundred ninety nine dollars (\$999,999.00), to be eligible to receive an incentive of twenty percent (20%), a film production company must:

- a. Verify two hundred thousand dollars or more – up to nine hundred and ninety nine thousand nine hundred and ninety nine dollars (\$200,000.00 – 999,999.00), of expenditures were made in the State of Utah; **and**
- b. Meet the definition of “significant percentage of cast and crew from Utah,” which shall be no less than eighty five percent (85%) of the total in-state hires of cast and crew, excluding extras from the sum total of all the cast and crew hires.

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20% Tax Credit One Million Dollars and Greater

In order for films, whose Utah budgets are one million dollars (\$1,000,000.00) or greater, to be eligible to receive the baseline incentive of twenty percent (20%), a film production company must:

- a. Verify one million (\$1,000,000.00) or more of expenditures were made in the State of Utah.

25% Tax Credit - Option 1

In order for films, whose Utah budgets are one million dollars (\$1,000,000.00) or greater to be eligible to receive up to an additional five percent (5%) to the baseline incentive of twenty percent (20%) for a total incentive of twenty five percent (25%), a film production company must:

- a. Verify one million (\$1,000,000.00) or more of expenditures were made in the State of Utah; **and**
- b. Meet the definition of "significant percentage of cast and crew from Utah", which shall be no less than eighty five percent (85%) of the total in-state hires of cast and crew, **excluding** extras, five principle cast members, two creative/executive producers, and a director from the sum total of all the cast and crew hires; **or**

25% Tax Credit - Option 2

In order for films, whose Utah budgets are one million dollars (\$1,000,000.00) or greater to be eligible to receive up to an additional five percent (5%) to the baseline incentive of twenty percent (20%) for a total incentive of twenty five percent (25%), when such films **will not** meet the eighty five percent (85%) cast and crew requirement, a film production company must:

- a. Verify seven million five hundred thousand dollars (\$7,500,000.00) or more of expenditures were made in the State of Utah; **and**
- b. Meet the definition of "significant percentage of cast and crew from Utah," which shall be no less than seventy percent (70%) of the total in-state hires of cast and crew, excluding extras, five principle cast members, two creative/executive producers, and a director from the sum total of all the cast and crew hires; **or**
- c. Verify no less than fifty one percent (51%) of the project dollars left in Utah were spent in rural areas of the State; **or**
- d. Provide a significant promotional opportunity or opportunities for the State of Utah as agreed to by The Governor's Office of Economic Development (GOED) and the motion picture company such as:
 - i. Including a "Filmed on Location in Utah" featurette in the DVD or Blu-ray highlighting the Utah portion of the production; or
 - ii. Hosting a premiere or including participation of GOED in a premiere; or
 - iii. Identifying Utah as the state location in the story of the script.

Incentive Appropriations

The GOED Board of Directors may only issue incentives out of the MPIP based on the funds or tax credits available for the respective fiscal year. Incentive awards can only exceed allocated amounts by the GOED Board of Directors approval.

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Utah Credit:

Unless otherwise agreed to in writing by the Utah Film Commission, the applicant warrants that the Utah Recognition credit as set out below will be included in the credits of the film.

- A. Utah Film Commission logo; **and**
- B. The following credit wording should read:

“Filmed on location in Utah with special thanks to the State of Utah Governor’s Office of Economic Development and the Utah Film Commission.”

MPIP Incentive Application Process

- 1) Applying company reviews MPIP policy and FAQ’s
- 2) Applying company prepares all required information for the application prior to pre-production.
- 3) Applying company submits the completed application in PDF format, via e-mail to Virginia Pearce at vpearce@utah.gov and ‘Cc’ Jenica Schulz at jschulz@utah.gov
- 4) The application will be reviewed for completion by the Utah Film Commission (UFC).
- 5) The Motion Picture Advisory Committee (MPAC) will review the project for recommendation to the GOED Board of Directors.
- 6) The GOED Board of Directors will review the recommendation and will either approve or deny the incentive application.

A company may not claim a State of Utah incentive unless pre-approved by the GOED Board of Directors and all Utah based vendors have been paid in full once production (in Utah) is complete.

Under special circumstances a production may start pre-production during the MPIP application process. However, if a company has started filming a production in Utah prior to preparing and submitting a MPIP Application, an incentive cannot be approved.

Qualified expenses for Utah Dollars Left in the State may be counted up to 30 days prior to the date of GOED Board of Directors approval.

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Important Dates

MPIP Application Submission Deadlines

1. December 26, 2014
2. January 23, 2015
3. February 20, 2015
4. March 20, 2015
5. April 24, 2015
6. May 22, 2015
7. June 26, 2015
8. July 24, 2015
9. August 21, 2015
10. September 25, 2015
11. October 23, 2015
12. November 20, 2015
13. December 23, 2015

GOED Board of Directors Meetings

1. January 8, 2015
2. February 12, 2015
3. March 12, 2015
4. April 9, 2015
5. May 14, 2015
6. June 11, 2015
7. July 9, 2015
8. August 13, 2015
9. September 10, 2015
10. October 8, 2015
11. November 12, 2015
12. December 10, 2015

MPIP APPLICATION AND SUBMISSION OUTLINE

Respond to each question using the outline below. Submit the completed MPIP application in PDF format, via email to ypearce@utah.gov, and 'Cc' jschulz@utah.gov. All information is required and must be submitted prior to any project being reviewed for an incentive through the State of Utah.

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1. PROJECT TITLE & INCENTIVE TYPE

- A. Project Title
- B. Incentive Option
 - a. Less Than a Million Dollars 20%
 - b. One Million Dollars and Greater 20%
 - c. One Million Dollars and Greater 25% (see page 2 of Application packet)
 - i. Option 1
 - ii. Option 2
- C. Incentive Percentage
- D. Estimated Dollars Left in the State
- E. Dollar Amount of Incentive Requested
- F. Project's Total Budget

2. PRODUCTION COMPANY AND CONTACT INFORMATION

- A. Production Company
 - a. Company Name
 - b. Type of Company/State Corporation
 - c. Federal Tax ID Number
 - d. Mailing Address
 - e. Telephone Number
 - f. Fax Number
- B. Primary Contact Information
 - a. Company Name
 - b. Name
 - c. Title
 - d. Mailing Address
 - e. Phone Number
 - f. Fax Number
 - g. E-Mail Address
- C. Secondary Contact Information
 - a. Company Name
 - b. Name
 - c. Title
 - d. Mailing Address
 - e. Phone Number
 - f. Fax Number
 - g. E-Mail Address
- D. Person completing the application, if different.
 - a. Name
 - b. Title
 - c. Mailing Address

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- d. Phone Number
 - e. Fax Number
 - f. E-mail Address
- E. Contact for Legal Issues and Legal Notices
 - a. Name
 - b. Mailing Address
 - c. Phone Number
 - d. Fax Number
 - e. E-Mail Address
- F. Submit Resumes or IMDB Profiles
 - a. Executive Producer
 - b. Producer
 - c. Director
 - d. Talent (Principals)

3. BUDGET

- A. Complete Line Item Budget
- B. Document the amount of the complete budget to be spent in Utah as Dollars Left in the State
- C. 100% Financing Documentation
 - a. Company Name
 - b. Contact Name
 - c. Mailing Address
 - d. Telephone Number
 - e. E-Mail
 - f. Documentation of Financing
- D. Completion Bond
 - a. Company Name
 - b. Contact Name
 - c. Mailing Address
 - d. Telephone Number
 - e. E-Mail
 - f. Documentation of Completion Bond
 - i. Written Explanation for no Completion Bond - if necessary
- E. Distribution Plan
 - a. Describe distribution plan (e.g studio pickup, festival circuit, etc.)

4. SCRIPT AND SYNOPOSIS

- A. Submit a synopsis (no more than one Paragraph)
- B. Script: Submit the most current draft of the complete script

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5. PRODUCTION

- A. Type of Production
- B. Total Number of
 - a. Crew
 - b. Cast
 - c. Extras
- C. Total Number of Utah
 - a. Crew
 - b. Cast
 - c. Extras
- D. Average **DAILY** Wage for Utah
 - a. Crew
 - b. Cast
 - c. Extras
- E. Projected Timeline and Dates
 - a. Prep Dates
 - i. Start
 - ii. Finish
 - b. Principal Photography
 - i. Start
 - ii. Finish
 - c. Wrap Dates
 - i. Start
 - ii. Finish
 - d. Post Production
 - i. Start
 - ii. Finish
- F. Total Number of Utah Production Days
- G. List other jurisdictions where filming will take place & number of days.

6. INCENTIVE

- A. Why is it important to locate this film in Utah?
- B. Are you considering, or have you applied for or received any other state, local or federal incentives or funding?

7. GRAMA REQUEST FOR PROTECTED RECORD STATUS

- A. Review and submit the GRAMA Request for Protected Record Status form. (ATTACHMENT I)

8. OTHER

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- A. Has the Production Company or producer ever filmed in the State of Utah?
- B. Is the production company considering Utah for other projects?
- C. Are there any outstanding material issues facing your production or company that could have a negative impact against the project going forward?
- D. References:
 - a. Credit or Bank reference of production account:
 - b. Three professional industry references:
 - i. Name, title and contact
 - ii. Name, title and contact
 - iii. Name, title and contact
- E. Other information you deem necessary to assist in the decision:

**ATTACHMENT I – GRAMA
REQUEST FOR PROTECTED RECORD STATUS
(Business Confidentiality Claim)**

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Name and Address of business and representative making this confidentiality claim (please print or type): _____

I request that the attached /enclosed information (record) provided to the Governor's Office of Economic Development (GOED), or any of its agencies (divisions or programs), be considered confidential and given protected status.

Description (optional) of the information (record) which is to be covered by this confidentiality claim and which you believe qualifies for protected status. _____

The Following reasons support this claim of business confidentiality; Please check (✓) all of the following which apply:

- ☐ 1. The Record provided is a trade secret (as defined in U.C.A. 13-24-2).
- ☐ 2. The record is commercial or non-individual financial information and disclosure of the information could reasonably be expected to result in unfair competitive injury to the provider of the information.
- ☐ 3. The record is commercial or non-individual information and disclosure of the information could reasonably be expected to impair the ability of GOED, or its agencies, to obtain necessary information in the future.
- ☐ 4. The record is commercial or non-individual financial information and the interest of the provider in prohibiting access to the information is greater than the interest of the public in obtaining access.
- ☐ 5. The information provided may contain the following (see U.C.A. 63G-2-305 for complete information on records which may be classified as protected):
- a. The record would reveal negotiations regarding assistance or incentives offered by or requested from GOED for the purpose of encouraging a person to expand or locate a business in Utah, but only if disclosure would result in actual economic harm to the person or place GOED at a competitive disadvantage. (U.C.A. 63G-2-305(35))
NOTICE: Records evidencing a final contract may not be classified protected under this section.

Statement (a concise written statement supporting a business confidentiality claim is required, U.C.A. 63G-2-309(1)(a)), attach additional sheets if necessary.

NOTE: Claimant shall be notified if a record claimed to be protected is classified public or if the determination is made that the record should be disclosed because the interest favoring access outweigh the interest favoring restriction of access. Records claimed to be protected under this business confidentiality claim may not be disclosed until the period in which to bring an appeal expires or the end of the appeals process, including judicial appeal (unless the claimant, after notice has waived the claim by not appealing or intervening before the record committee). (U.C.A. 63G-2-309)

By _____ Date _____